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FISCAL IMPACT REPORT

SPONSOR Altamirano DATE TYPED 3/18/05 HB _____

SHORT TITLE Nutrition Council Act SB 525/aSFC/aSFI#1/aHBIC

ANALYST Hanika-Ortiz

APPROPRIATION

Appropriation Contained		Estimated Additional Impact		Recurring or Non-Rec	Fund Affected
FY05	FY06	FY05	FY06		
	None		\$0.1		

REVENUE

Estimated Revenue		Subsequent Years Impact	Recurring or Non-Rec	Fund Affected
FY05	FY06			
		\$0.1	Recurring	Nutrition Fund

SOURCES OF INFORMATION

LFC Files

Responses Received From

Public Education Department (PED)
 Commission on Higher Education (CHE)
 Office of the Attorney General (AGO)
 Department of Health (DOH)

SUMMARY

Synopsis of HBIC Amendment

The House Business and Industry Committee amendment adds one member of the food and beverage industry to the Nutrition Council; removes specific references relating to the advisement by the Nutrition Council on the effects of carcinogens, neurotoxins and monosodium glutamate; and clarifies the duties of the Nutrition Council relating to the labeling and reporting of harmful compounds.

Synopsis of SFI #1 Amendment

The Senate Floor #1 amendment number one requires the Nutrition Council to consider geographical representation from rural and urban areas in its membership.

Synopsis of SFC Amendment

The Senate Finance Committee amendment allows for the advisement of public school districts on the development of grade-specific nutrition and health courses but does not make it mandatory. The amendment allows for recommendations in continuing education requirements in nutrition and health for certain health care professionals but does not make it mandatory. The Nutrition Council may develop a questionnaire to be sent to selected students in New Mexico as opposed to every student. Language is removed requiring the Secretary of Education to adopt minimum standards and benchmarks for grade-specific nutrition and health courses for graduation in the public schools. The UNM School of Medicine in consultation with the Nutrition Council will be requested to conduct a study on the precise medical effects of food additives, particularly carcinogens and excitotoxins on pregnant women, fetuses and children under the age of five, in addition to the effects of pesticides, herbicides and insecticides. The amendment removes the appropriation from the bill.

Significant Issues

The Nutrition Fund will be created in the state treasury and consist of gifts, grants, donations and bequests. Money in the Fund is appropriated to UNM School of Medicine for nutrition and health-related research and education. The appropriation to the Nutrition Fund is removed under the SFC amendment.

Synopsis of Original Bill

Senate Bill 525 creates a Nutrition Council and a Nutrition Fund and appropriates \$250 thousand from the general fund to the Nutrition Council for staff, equipment and expenses in FY06; \$300 thousand to the PED for school district nutritionists for FY06 and FY07; and \$200 thousand to UNM for nutrition studies in FY06 through FY08. The Nutrition Council would be administratively attached to the DOH. Any unexpended or unencumbered funds would revert to the Nutrition Fund at the end of FY08.

Significant Issues

The duties of the Nutrition Council are:

- Study ways to improve nutrition programs in state government
- Recommend nutrition training programs for state employees
- Develop public nutrition education programs
- Develop and implement food safety programs
- Advise agencies on food additives, diabetes, obesity, and food induced behavior disorders
- Recommend ways to improve nutrition
- Advise PED on the development of school nutrition courses
- Review quality of school lunch programs

- Develop a statewide nutrition database of New Mexico students
- Recommend additional food products labeling
- Establishes a “nutrition fund” for nutrition related research
- Licensing boards to impose mandatory nutrition education on professional licensees
- UNM School of Medicine to conduct a study on food additives and pesticides.

PERFORMANCE IMPLICATIONS

PED will be required to impose minimum standards for grade-specific nutrition and health courses, require nutrition and health as a graduation requirement and raise the minimum units necessary for high school graduation from 23 to 24 units. The PED anticipates an impact to the amount of time the PED staff spends on technical assistance, leadership and support for nutrition and health education.

Establishes mandatory nutrition education for certified nurse practitioners, clinical nurse specialists, dentists, physicians, physician assistants and psychologists.

Licensing boards will have to adopt rules mandating nutrition education requirements.

FISCAL IMPLICATIONS

The Executive Budget Recommendation includes \$750 thousand in the PED Budget Recommendation for the DOH to implement obesity/nutrition programs to public school children.

The appropriation of \$750 thousand contained in this bill is a recurring expense to the general fund. Any unexpended or unencumbered balance remaining at the end of FY08 shall revert to the nutrition fund.

SB 525 creates a new fund and provides for continuing appropriations. The LFC objects to including continuing appropriation language in the statutory provisions for newly created funds. Earmarking reduces the ability of the legislature to establish spending priorities.

DOH reports excess weight and obesity are major risk factors for a number of chronic diseases, including heart disease, stroke, cancer, and diabetes. The economic burden of these chronic diseases is devastating to our state’s economy, representing a high percentage of Medicaid dollars spent for health care services. Data on the direct medical costs attributable to obesity recently calculated and published show an estimated \$324 million of all adult medical expenditures are attributable to obesity in New Mexico; of these \$51 million is spent within the Medicare population, and \$84 million is spent within the Medicaid population.

Members of the Nutrition Council who are not paid by taxpayer funds may receive per diem and mileage expenses pursuant to the per diem and mileage Act, but shall receive no other compensation or allowance. The Nutrition Council shall meet at the call of the chair, director or majority of the members.

ADMINISTRATIVE IMPLICATIONS

The Nutrition Council will consist of the Assistant Attorney General, The Secretary of Public

Education, The Secretary of Health, and professional and private citizen appointments by the Governor.

CONFLICT, DUPLICATION, COMPANIONSHIP, RELATIONSHIP

Relates to SB 10, study school nutrition programs; restrict junk food sales; develop physical activity curriculum; improve eating habits of youth.

SJM 2, increase physical activity and improve eating habits of youth.

HB 61, develops rules regarding foods and beverages sold in public schools.

TECHNICAL ISSUES

Recommendation for an Amendment on page 16, line 13 to replace “nutrition fund” with “general fund”.

The proposed Nutrition Council does not include a Food Service Director or Native American as a member.

The DOH suggests directing a portion of funding to PED for the collection of data for study purposes, and requires a sampling rather than a survey of the 300 thousand students.

OTHER SUBSTANTIVE ISSUES

DOH reports obesity rates have doubled in children and tripled in adolescents over the last two decades. Overweight youth have a 70% to 80% chance of remaining overweight or becoming obese as adults. Only 2% of children eat a healthy diet (i.e. a diet consistent with federal nutrition recommendations) and 35% are physically inactive. Three out of four American high school students do not eat the recommended 5 servings of fruit and vegetables each day.

WHAT WILL BE THE CONSEQUENCES OF NOT ENACTING THIS BILL?

PED has existing content standards with benchmarks for health education, and integrates health topics into other subject areas.

AHO/lg:yr:rs